



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Kathleen Clarke
Executive Director

Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801
801-538-5340
801-359-3940 (Fax)
801-538-7223 (TDD)

October 26, 2000

TO: Lowell P. Braxton, Director

THRU: Pamela Grubaugh-Littig, Acting Associate Director *pgl*

THRU: Wayne Hedberg, Permit Supervisor *WH*

FROM: Tom Munson, Senior Reclamation Specialist *RM*

RE: Request for Full Release of Project and Reclamation Surety, Crystal Peak Minerals Corporation, Sevier Dry Lake Large Mining Project, M/027/008, Milford County, Utah

In March, 1994, Crystal Peak Minerals Corporation (CPMC) requested release and return of the reclamation surety for their Sevier Dry Lake Project. An inspection was performed in the spring of 1994 and it was determined that satisfactory reclamation had been performed by CPMC to reduce the reclamation bonding requirements. The Division retained \$2,000 to cover the cost of reseeding until the Division and BLM jointly determined that the revegetation success standards had been achieved. CPMC furnished the Division with a \$2,000 Investment Deposit Account #23-4149566 issued by Texas Commerce Bank.

In 1998 when the annual permit fees were initiated, CPMC again requested an inspection and release of the site. They did not pay the annual fee. Due to the number of requests to inspect and close files received at that time, we have been unable to release this site until this time. We have contacted the BLM and have been advised that they have released CPMC from further reclamation obligations at this site. We concur with the BLM's position to release CPMC, based on our September 13, 2000 site inspection. If you are in agreement with the Division now releasing CPMC's \$2,000 reclamation surety, please sign the enclosed release letter. We will then return the original \$2,000 Investment Deposit that was issued by Texas Commerce Bank to CPMC, which will formally release them from any further reclamation obligations of this large mining site.

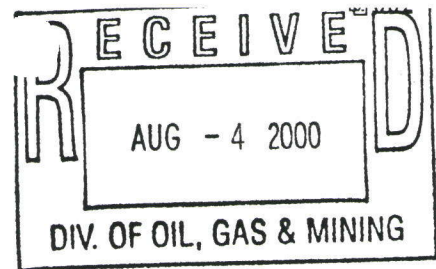
Thank you for your consideration of this request.

jb

Enclosure: Release letter, photos of 9/13/00 site inspection
M27-08-rel-mem

*Agree LRB
10/27*

0005

SURFACE INSPECTION
COMPLIANCE REPORTDate of Inspection: March 27, 1997Case Serial No.: UTU-063353Operator: Crystal Peak Minerals Corp.Project Description: Potassium Salts, Solar Evaporation ProjectLegal Description: T. 21, 22, 23, & 24 S., R 11 & 12 W.District and Resource Area: Richfield DO/Warm Springs RAInspector: Ron TeseneerREPORT NARRATIVE (REFERENCE STIPULATIONS BY NUMBER OR TITLE)

The only visible signs of Crystal Peak's activities are the dikes and ditches on Sevier Lake bed, the county road to the proposed plant site, the well and water tank, and the access road to the dike system.

The county road is still authorized under a ROW and is not a reclamation liability of Crystal Peak's.

Crystal Peak was allowed to leave the dikes and ditches on the lake bed so that a high water event could level them. That event may be several years away, but Crystal Peak was relieved of the obligation to level them.

The BLM now owns the well and water tank.

The access road from the county road to the dike system has been revegetated. Revegetation appears to have been successful. There is a two track down this road at this time. There is quite a bit of orange bailing twine scattered along this road. It is impossible to tell if it is from feeding livestock or from mulch used in revegetating the road.

It is my opinion that Crystal Peak's disturbances have been satisfactorily reclaimed. It is my recommendation that their case file be closed out.

A handwritten signature in cursive script, appearing to read "Ron Teseneer".

Signature of Inspector

A handwritten signature in cursive script, appearing to read "Rex Lowrey".

Signature of Authorized Officer

DATE OF PICTURES → 9/13/2000

M 027 / 008



ENCAMPMENT AREA



ENCAMPMENT AREA



SEVIER DRY LAKE



GRAVEL PIT
(COUNTY)
BLM COMMUNITY PIT



GRAVEL PIT
(COUNTY)
BLM COMMUNITY PIT



GRAVEL PIT
(COUNTY)
BLM COMMUNITY PIT



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